



Public Service Commission of Wisconsin

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Public Service Commission of Wisconsin
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March 22, 2006

Mr. Steven Parker, Manager, State Regulatory Affairs
American Transmission Company
P.O. Box 47
Waukesha, WI 53187

Re: Application of American Transmission Company, as an Electric
Public Utility, to Construct a New Waunakee Substation and Build
a New 138 kV Line From the North Madison Substation to the New
Waunakee Substation in the Towns of Vienna and Westport, Dane
County, WI

137-CE-139

Dear Mr. Parker:

On February 20, 2006, American Transmission Company LLC (ATC) filed an application with the Public Service Commission of Wisconsin (Commission) for authority to construct and operate the electric transmission facilities described above. ATC also filed an application to obtain certain water-related permits from the Wisconsin Department of Natural Resources (DNR). The Commission and DNR have reviewed ATC's application for a Certificate of Public Convenience and Necessity (CPCN). Under Wis. Stat. § 196.491(3)(a)2. and Wis. Admin. Code § PSC 111.53, the Commission finds the CPCN application for this project to be incomplete because of missing or inaccurate information in the areas described in Attachment A of this letter.

Wis. Stat. § 196.491(3)(a)2. provides that an applicant may supplement and refile an application that the Commission deems incomplete. I believe that you are aware that Commission staff has requested that the additional information be provided at one time in a form that can be sent to all those receiving the original application. This is for the convenience of the public and other participants in the review of this docket.

If you have any questions regarding this letter, please contact Dan Sage at (608) 267-9486 or by e-mail daniel.sage@psc.state.wi.us.

Sincerely,

/s/ Robert Norcross

Robert Norcross
Administrator
Gas and Energy Division

RDN:VM:mem:L:\Construction\Construction-transmission line\137-CE-125 North Madison-Waunakee\completeness review\Letter of incompleteness 3-22-06

Attachment A

2.1 Engineering Information

1. (2.1.2) Provide an estimate of the total number of structures needed for each route.
2. (2.1.2.2, page 3 of 47) The length or width of new ROW needed in Segment 1 where the two 138kV lines would run parallel to each other is missing. The length of new ROW needed in Segments 24 and 35 is missing.
3. (Wis. Stat. 1.12(4) Energy Priorities) There needs to be a more comprehensive and specific description of ATC's considerations of alternate technology substitutions as they relate to the energy priorities per Wis. Stat. 1.12(4).
4. (2.1.3.3) The data provided here and in Appendix B does not adequately explain ATC's choice of a system solution. Please explain why, based on available data, ATC chose the proposed system solution.
5. (2.1.3.3) Explain the difference in estimated costs for the project and project alternatives between Appendix B (Exhibit B, pages 2, 14, 16, 18 and 20 of 52) and what is shown in section 2.1.3.3 (page 7 of 47).
6. (2.1.3.3, page 7 of 47) Option 3 construction costs are estimated as being "\$7 million dollars more than the recommended project", or \$23 million. This would make the recommended project cost \$16 million rather than the \$12 million stated for the preferred route. Please clarify.
7. (2.1.8) Endangered/threatened species surveys may be required prior to construction and the timing of these surveys needs to be incorporated into the construction schedule.

2.2 Project development and alternatives considered

8. Provide a cost and environmental analysis for placing the proposed line underground for both a 0.5 mile and a 1.0 mile stretch along STH 113 in the vicinity of Savannah Village.
9. Provide a cost/mile for placing 3-phase and single-phase distribution underground. Provide the cost for placing all 3-phase distribution underground on each of the two routes.
10. (2.2.1) Please explain why local level alternatives would not address the reliability issues in northern Dane County.
11. (2.2.4) Refer to the recommendations at the end of this list.

2.3 General transmission line siting information

12. (2.3.7) Please provide the village of Waunakee 2003 Comprehensive Plan maps and the Westport-Waunakee Joint Planning Area Comprehensive Plan maps, or their current equivalent.

2.4 Detailed route information

13. (2.4.1. Table 2A) Please clarify that in the different land uses “length” refers to length of the centerline, and “acres” refers to the area within the ROW.
14. (2.4.1.4, page 18 of 47) The land use percentages add up to 105 percent rather than 100 percent. Please explain or clarify.
15. (2.4.1.5.1, page 18 of 47) The number of residences within 300 feet of either route option should be stated here.
16. (Section 2.4.2.4) For both routes: please describe the vegetative cover of the uplands affected by the ROW.
17. (2.4.2.7, page 21 of 47) County parkland is described as being “across Schumacher Road approximately 100 feet to the west of the Alternate Route....” Should that read “east of the alternate route?”
18. (2.4.4.2) Please provide a map showing existing distribution along both routes, with a description as to type, and identification of where single-phase transmission would be placed underground, both along the route, and relative to the proposed line. On that map, please also show the location of farms with animal confinement facilities within one distribution circuit mile of each route.
19. (Section 2.4.5, last paragraph) What is the height and/or stem diameter of “low growing woody vegetation”? What is the dimension of the “area where transmission line structures would be installed”? What is the width of “access for construction equipment”?
20. (Section 2.4.7, par. 2, and sections 3.1, 3.3 and 4 of the *Rare Species Investigation Report*) Please modify the text in both documents to acknowledge the limitations of ATC’s field investigation and qualify the statement that “none of the eight (threatened or endangered) species were observed along either route during the field investigation”. The statement as written leaves the impression that the field investigation was more conclusive than it actually was, given the method, extent, and timing of the survey.
21. (*Rare Species Investigation Report*, Section 2.2) Please identify those segments where access was not available for the field investigation.
22. (*Rare Species Investigation Report*, Section 3.4; Section 2.4.5 pages 23-4 of 47) There is an NHI occurrence of southern dry mesic forest located along Segment 49 of the preferred route. The text should be revised to reflect the NHI occurrence and the statement that no additional natural communities were identified should be revised. Impacts to the community north of Daley Road should also be addressed.

23. (*Rare Species Investigation Report, Table B2*) What is the basis for determining no presence of red-tailed prairie leaf hopper habitat? The timing of the field investigation and/or the protocol used may be insufficient for making this determination. Please note that additional surveys may be required for this species.
24. (*Rare Species Investigation Report, Table B2*) Please clarify the determination of no habitat for the prairie parsley and prairie bush-clover and habitat for the rough rattlesnake-root given that they have overlapping habitat characteristics and that the timing of the survey was not optimal for all three species.
25. (*Rare Species Investigation Report, Table B2*) Please delete this phrase, under Impact Potential for Henslow's sparrow: "...the species can avoid construction activities." This statement is inaccurate. "Avoidance" needs to be demonstrated by the applicant based on knowledge of species presence and/or potential use of a site.
26. (*Rare Species Investigation Report, Table B2*) Under Impact Potential for Blanding's, please revise this section so that it does not imply that an incidental approach would be used to determine the presence or absence of Blandings. A habitat assessment should be completed along portions of the approved route that affect wetlands, and avoidance measures applied if necessary.
27. (2.4.7, page 24 of 47 and 2.4.12.4, page 28 of 47) Sixmile Creek is an Exceptional Resource Water of the state (ERW). It could be a corridor for species of concern (e.g. Blandings turtle) and other species moving between Lake Mendota, the Sixmile Creek riparian wetlands and the Waunakee Marsh. Please address both the ERW and environmental corridor aspects of Sixmile Creek, and describe avoidance measures and other special measures to be used along the stream and its wetlands should this route be selected.
28. (2.4.10 page 26 of 47). Access to construction along the railway portion of the West Route could create a majority of the adverse impacts to wetlands on that route. While actual access rests on future negotiations, please specifically describe the access to various sections of line or individual poles that ATC would hope to use. ATC's standard access policy language is not sufficient for this case.
29. (2.4.10, page 26 of 47) Appendix E, Table 2 indicates a wetland crossing of the Sixmile Creek wetlands that is not reflected in the discussion on page 26.
30. (2.4.12.4, page 28 of 47). Provide an electronic copy of the wetlands delineation report including the Floristic Quality Index information.
31. (2.4.12 Appendix E, Table 2) Wetland descriptions are inadequate. Please provide the dominant and non-dominant wetland vegetation for each of the 3 major strata (tree/shrub/herb). Also, remove references to "appears navigable" and "does not appear navigable" for each of the identified waterways.

32. (2.4.12 Appendix E, Table 3) to make this table useful, please add the following information:

- a. channel width and depth
- b. water depth and flow (if present)
- c. bank slope
- d. bed substrate (i.e. silt, sand, cobble, etc.)
- e. in-stream habitat

2.5 Construction Methods

- 33. (2.5.1.7.1, page 32 of 47) Please place the discussion of compensation for damages in farmland with the discussion of the restoration of affected agricultural land (pages 36-37). Specifically address what ATC would do for farmers to restore land under statute, and for what items ATC would negotiate to compensate landowners.
- 34. (2.5.1.7.2, page 33 of 47) Please address how ATC would work with property owners to replace trees lost to the new ROW on either route.
- 35. (2.5.1.7.3, page 33-34 of 47) The discussion of construction in surface waters and wetlands is a boilerplate discussion. Please provide information that specifically addresses the actual wetland and stream crossings along the proposed routes, particularly for those in the Sixmile Creek corridor.
- 36. (2.5.4.2, page 36 of 47) Control of Invasive Species is only mentioned in relation to wetlands, and then only reed canary grass is mentioned. Provide strategies for controlling upland invasive species, particularly species such as wild parsnip (*Pastinaca sativa*).
- 37. (2.5.6.2, page 38 of 47) Provide an example of the decision flow chart that ATC will use for determining what erosion control measures to use at each construction site during construction.
- 38. (2.5.7, page 39 of 47) Please note that both state agencies expect ATC to submit maps locating temporary staging areas once they have been identified.
- 39. (2.5.8, page 40 of 47) Please note that no dewatering is allowed directly to storm sewer or waterways.

2.8 DNR permits and approvals

- 40. (2.8.1, page 43 of 47) Water quality certification from the DNR is issued under NR 299.

2.9 Other agency correspondence

41. (2.9.3.1, page 46 of 47) Provide missing information on county permits required for both routes.

Recommendations for improving the usefulness of the application for the public

- a. There is a brief description of project need in the body of the document, and a highly technical description in Appendix B. Staff strongly advises expanding the discussion in the body of the document so that it's more understandable to the general public.
- b. The discussion of system alternatives in the body of the document attaches specific routes to two of the alternatives, which is needlessly confusing.
- c. The last page of Appendix B, Exhibit B estimates distances to residences and schools. However, these are not stated as estimates and they are inaccurate. Commission staff strongly advises ATC to place wording in the body of the document, and somewhere in or around Exhibit B that explains the function of the study in ATC's choice of alternatives, and explains whether ATC's current, more detailed knowledge of costs and distances to residences and schools (or other particular changes in information) would have changed ATC's choice of preferred system alternative (and why or why not).
- d. Numerous members of the public have asked whether a second 138kV circuit from North Madison to Sycamore could address the problems defined by ATC. It might be worthwhile to add something to the application, or to address this in separate FAQ material.